

103^D CONGRESS
1ST SESSION

H. R. 3473

To amend the Federal Deposit Insurance Act to provide an alternative disclosure procedure for depository institutions that are not federally insured with respect to customers who are already depositors on the effective date of section 43(b)(3) of such Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 1993

Ms. PRYCE of Ohio (for herself and Mr. FINGERHUT) introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

A BILL

To amend the Federal Deposit Insurance Act to provide an alternative disclosure procedure for depository institutions that are not federally insured with respect to customers who are already depositors on the effective date of section 43(b)(3) of such Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Depositor Protection
5 Amendments Act of 1993”.

1 **SEC. 2. SIMPLIFIED DISCLOSURE FOR EXISTING CUS-**
2 **TOMERS.**

3 (a) IN GENERAL.—Section 43(b)(3) of the Federal
4 Deposit Insurance Act (12 U.S.C. 1831t(b)(3)) is amend-
5 ed to read as follows:

6 “(3) ACKNOWLEDGEMENT OF DISCLOSURE.—

7 “(A) NEW DEPOSITORS.—With respect to
8 any depositor who was not a depositor at the
9 depository institution before June 19, 1994, re-
10 ceive any deposit for the account of such de-
11 positor only if the depositor has signed a writ-
12 ten acknowledgement that—

13 “(i) the institution is not federally in-
14 sured; and

15 “(ii) if the institution fails, the Fed-
16 eral Government does not guarantee that
17 the depositor will get back the depositor’s
18 money.

19 “(B) CURRENT DEPOSITORS.—Receive any
20 deposit after the effective date of this para-
21 graph for the account of any depositor who was
22 a depositor before June 19, 1994, only if—

23 “(i) the depositor has signed a written
24 acknowledgement described in subpara-
25 graph (A); or

1 “(ii) the institution has complied with
2 the provisions of subparagraph (C) which
3 are applicable as of the date of the deposit.

4 “(C) ALTERNATIVE PROVISION OF NOTICE
5 TO CURRENT DEPOSITORS.—

6 “(i) IN GENERAL.—Transmit to each
7 depositor who was a depositor before June
8 19, 1994, and has not signed a written ac-
9 knowledgement described in subparagraph
10 (A)—

11 “(I) a card containing a notice
12 that the institution is not federally in-
13 sured, and a line for the signature of
14 the depositor; and

15 “(II) accompanying materials re-
16 questing the depositor to sign the
17 card, and return the signed card to
18 the institution.

19 “(ii) MANNER AND TIMING OF NO-
20 TICE.—

21 “(I) FIRST NOTICE.—Make the
22 transmission described in clause (i)
23 via first class mail within 90 days
24 after June 19, 1994.

1 “(II) SECOND NOTICE.—Make a
2 2d transmission described in clause (i)
3 via first class mail not less than 30
4 days and not more than 45 days after
5 a transmission to the depositor in ac-
6 cordance with subclause (I), if the in-
7 stitution has not, by the date of such
8 mailing, received from the depositor a
9 card referred to in clause (i)(I) which
10 has been signed by the depositor.

11 “(III) THIRD NOTICE.—Make a
12 3d transmission described in clause (i)
13 via first class mail not less than 30
14 days and not more than 45 days after
15 a transmission to the depositor in ac-
16 cordance with subclause (II), if the in-
17 stitution has not, by the date of such
18 mailing, received from the depositor a
19 card referred to in clause (i)(I) which
20 has been signed by the depositor.”.

21 (b) EFFECTIVE DATE.—Section 43(b)(3) of the Fed-
22 eral Deposit Insurance Act, as amended by subsection (a),
23 shall take effect in accordance with section 151(a)(2)(D)
24 of the Federal Deposit Insurance Corporation Improve-
25 ment Act of 1991.

